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EXECUTIVE OFFICER

COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

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April 13, 2016

MEMBERS OF THE BOARD

HILDA L. SOLIS

MARK RIDLEY-THOMAS

SHEILA KUEHL

DON KNABE

MICHAEL D. ANTONOVICH

Dear Members of the Legislature:

RE: Reform of the Governance of the Central Basin Municipal Water District

We are writing to express the need to reform the governance of the Central Basin Municipal Water District (Central Basin) and to request that the Legislature take action to ensure that the recommendations made by the State Auditor regarding the operation of the Central Basin are fully implemented.

The Central Basin serves a population of more than two million people in 24 cities and some unincorporated areas in southeast Los Angeles County. In 2014, the County completed a report outlining the issues related to the Central Basin's financing, litigation and legal costs, its loss of insurance, operations and water supply reliability. Based on the information collected, the County requested a comprehensive management audit of the Central Basin by the State Auditor. In December 2015, the State Auditor issued a report which identified a number of factors impacting the operation of the Central Basin, including poor leadership, State law violations, and questionable contracting practices. The report included 32 recommendations to the Central Basin's Board and a recommendation that the Legislature modify the District's governance structure. To date, only a handful of the recommendations have been implemented.

The Central Basin has lost credibility with the communities it serves. In line with the State Auditor report, it is essential that the appointed members of the Central Basin Board are purveyors who are elected by the direct clients of the Central Basin and add the lacking technical expertise to the board. We respectfully urge the Legislature to continue its deliberations about this issue and reach out to stakeholders in the community to find the best possible proposal for a new governance structure that would protect the customers and improve transparency and accountability of the Central Basin Municipal Water District.

Members of the Legislature
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Thank you for your consideration of this important matter which impacts the lives of millions of residents in Los Angeles County.

Sincerely,



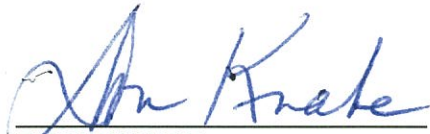
HILDA L. SOLIS
Chair of the Board
Supervisor, First District



MARK RIDLEY-THOMAS
Supervisor, Second District



SHEILA KUEHL
Supervisor, Third District



DON KNABE
Supervisor, Fourth District



MICHAEL D. ANTONOVICH
Supervisor, Fifth District

c: The Honorable Edmund G. Brown, Jr.